

GENERAL SYNOD

NOVEMBER GROUP OF SESSIONS 2020

SECOND NOTICE PAPER

ITEM 504/5: DRAFT CATHEDRALS MEASURE

ITEM 17: SAFEGUARDING

**ITEM 502/3: DRAFT DIOCESAN BOARDS OF EDUCATION
MEASURE**

**ITEM 507: NATIONAL MINISTRY REGISTER (CLERGY)
REGULATIONS**

DEEMED ITEMS:

LEGAL OFFICERS (ANNUAL FEES) ORDER 2020

**THE ECCLESIASTICAL JUDGES, LEGAL OFFICERS AND
OTHERS (FEES) ORDER 2020**

Financial statement pursuant to Standing Order 108

1. Financial Statements under Standing Order 108 set out the estimated financial effect of implementing recommendations of reports and taking forward motions if they are passed by the Synod. In most cases figures provided are approximate, recognising the inherent uncertainty in estimating various factors. Members are asked to take this statement into account alongside non-financial factors when considering these items of business.
2. Estimates of the financial implications of any amendments proposed by Members will be provided in a subsequent notice paper or in an oral statement from a member of the Archbishops' Council's Finance Committee who is a General Synod member (usually the Chair).
3. As agreed with the Business Committee in 2016, an item is included in this memorandum if (i) the estimated financial impact (either actual costs or savings or the opportunity cost or saving - e.g. the cost of clergy or staff time) is £20,000 or more or (ii) it is thought a statement on the estimated financial impact of a proposal is thought likely to be helpful to members. These thresholds are applied to the whole of any time-limited project or a period of three years for on-going activities.
4. If the cost of work on any motion, if passed, would fall to the Archbishops' Council, it would need to be met from within the Council's 2021 budget envelope which Synod is being asked to approve at this Group of Sessions, or subsequent budgets. For any work not already scheduled, the relevant Director, in consultation with others, would consider whether other work of similar cost should be dropped or postponed, or if additional, unbudgeted, staff resource could be provided by securing funding from another source or drawing on reserves. Estimates of staff and clergy time are usually an opportunity cost, illustrating the cost of other work that would need to be dropped or deferred. If it is not possible to drop or defer sufficient other work, there would be an impact on the timescale for delivery of the requested work.
5. All costs are estimated at 2021 levels unless otherwise stated. Costs include relevant salaries, employers' national insurance and pension contributions.

ITEM 504/5: DRAFT CATHEDRALS MEASURE

6. As has been reported at previous stages, if the Measure is brought into force, each cathedral would need to revise its constitution and statutes and register with the Charity Commission. A memorandum of understanding would also need to be agreed between the Church Commissioners and the Charity Commission. The NCIs' Legal Office would provide guidance and a template constitution and statutes, liaise with the Charity Commission to assist in the process of registration and NCI staff would be available to help cathedrals with the registration process. The cost of staff time on this work, including reviewing cathedrals' revised constitution and statutes and preparing the guidance required to support the implementation of the Measure and the associated training is estimated at £50,000. The legal costs cathedrals would incur in revising their constitution and statutes and to implement the accompanying governance restructure is estimated at up to £5,000 per cathedral: the level of such costs would depend to some extent on the number of variations from the standard template.
7. The draft Measure would lead to cathedrals becoming co-regulated by the Charity Commission and the Church Commissioners, with an increased regulatory role for the latter which will require guidance to be prepared on a range of issues to support the draft Measure. The working assumption is that the Church Commissioners would be able to exercise this expanded role going forward using staff resources currently devoted to supporting cathedrals.
8. It is envisaged that any additional resource required for the implementation phase, including training, would be paid for from within the £20 million earmarked by the Church Commissioners for Cathedral Sustainability Funding as part of their spending plans for 2020-2022 (as revised). As stated at the Revision Stage the need for an additional time limited paralegal role in the Legal Office to assist with managing the new constitutions and registrations over a period of up to two and a half years was identified. The cost of this post, which was filled in October 2020, is estimated at up to £135,000.
 - Estimated cost for agreeing a memorandum of understanding between the Church Commissioners and the Charity Commission, revising cathedrals' constitution and statutes, and registering with the Charity Commission and preparing the guidance required to support

the implementation of the Measure and the associated training: up to £5,000 per cathedral and NCI staff time of £50,000.

- Estimated additional costs in the implementation phase: up to £135,000 for a time-limited paralegal role to be funded by the Church Commissioners from the sum allocated for cathedral sustainability funding.

ITEM 17: SAFEGUARDING

9. An initial estimate of the financial implications of the emerging plans to implement the six recommendations of the IICSA report on the Anglican Church as set out on pages 4-6 of GS 2184 is set out below. In several of these areas, estimates will be updated in the course of scoping and project work.

Recommendation 1, Part 1 and Recommendation 8, Part 2

10. It is envisaged that the professional supervision and quality assurance of the work of Diocesan Safeguarding Officers by the National Safeguarding Team would be achieved by implementing a regional leadership structure. The Archbishops' Council's 2021 budget includes £0.4m to commence a pilot of such a structure. On the current proposals for a phased implementation of a regional leadership structure additional costs of £0.1m are expected in 2022. Once the regional structure is fully implemented, annual costs are estimated at £1.6m: £1.2m more than the provision in the 2021 budget. This project would also incorporate the work on IICSA Recommendation 8 in respect of independent external audits as auditing should be of the Church's Safeguarding Standards.
11. The costs of staff time to amend Canon 30 and the associated DSA regulations to accommodate this recommendation are estimated at £17,000.
12. Over time it is expected that the change from Diocesan Safeguarding Advisers to Diocesan Safeguarding Officers will result in greater standardisation of terms and conditions for these posts across the dioceses. It is tentatively estimated that this might increase average salaries across the dioceses by around £200,000 p.a.

Recommendation 2, Part 2

13. The cost of staff time, mainly in the Legal Office and National Safeguarding Team, to support the drafting and the Synodical and Parliamentary stages to replace the Clergy Discipline Measure 2003 is estimated at £200,000 (£75,000 to prepare draft legislation for First Consideration, £105,000 for the Revision Stage and a further £20,000 to complete all the subsequent Synodical and Parliamentary stages).

Recommendations 5 & 6, Part 2

14. It is expected that the work to agree and implement the information sharing protocols set out in these recommendations will require additional project management resource and other additional expenditure at an estimated cost of £105,000. The work of the Project Manager will include establishing the required resource and timescales to implement these recommendations but our initial estimate of the cost of staff time, mainly in the Information and Records Management Team, NCI Legal Office and the National Safeguarding Team, is £130,000.

Recommendation 7, Part 2

15. As noted in GS 2181, in 2020 the Archbishops' Council has earmarked £0.25m from its reserves for an interim support scheme for victims and survivors. Discussions on the extent and source of additional funding are on-going.
16. The Archbishops' Council's 2021 budget includes some staff resource to design and implement a redress scheme. Funding issues will be considered as that work progresses, but additional project resources are likely to be required.

ITEM 502/3: DRAFT DIOCESAN BOARDS OF EDUCATION MEASURE

17. As noted in GS2131X, the key change proposed in the draft Measure is the introduction of the option for Diocesan Boards of Education (DBEs) to be constituted as a statutory committee of their Diocesan Board of Finance (DBF) and clarification as to how the two current options for the constitutional form of DBEs (i.e. being either incorporated or unincorporated) should operate.
18. If the Measure completes all the Synodical and Parliamentary stages and is brought into force, DBEs will need to review their constitutional form and consider whether they wish to change their legal form, register with the Charity Commission (if they are not already so registered) and determine what changes may be needed to their governing documents. In addition, a new diocesan scheme will be needed in each diocese, conferring DBE status on the chosen entity.
19. The NCIs' Legal Office will provide guidance, as well as template schemes for diocesan synods, but DBEs are likely to need their own legal advice. The cost of such advice for each diocese is estimated to range between £1,500 (if an incorporated DBE decides to continue to operate under a diocesan scheme and needs to make very modest changes to its articles of association following the introduction of the new Measure) and £10,000 (if an unincorporated DBE decides that a new incorporated body should be formed and registered with the Charity Commission). The legal costs could potentially be more if the changes a diocese decides to make are particularly complex and/or significant challenges arise which need to be addressed.
 - Estimated legal costs to review the structure of the DBE and make any changes identified: between £1,500 and £10,000 per diocese

ITEM 507: NATIONAL MINISTRY REGISTER (CLERGY) REGULATIONS

20. It is expected that the proposed requirement for the national register of clergy with an authorised ministry to be published will be met by providing free online access. The necessary systems development work has been carried out as part of the NCIs' People Systems project.

DEEMED BUSINESS: LEGAL OFFICERS (ANNUAL FEES) ORDER 2020

21. As noted in paragraph 12 of GS 2186/2187X if the Order is approved, retainers for Registrars in 2021 will be £100,000 more than in 2020. £58,000 of this increase will be borne by Diocesan Boards of Finance (DBFs) with the remaining £42,000 of the increase being borne by the Church Commissioners.

- Increase in Registrars' annual retainers: £100,000 (£58,000 to be funded by DBFs and £42,000 by the Church Commissioners).

DEEMED BUSINESS: THE ECCLESIASTICAL JUDGES, LEGAL OFFICERS AND OTHERS (FEES) ORDER 2020

22. If the Order is approved, the fees set for the President and Deputy President of Tribunals (which are payable by the Archbishops; Council) will both increase from the 2020 level of £3,402 to £8,000 in 2021 (taking into account that there has been no substantial increase in the level of these fees for an extended period as explained in GS 2186/2187X). The Order also provides for a fixed fee of £200 per case for a Judge who acts in the place of the President and Deputy President of Tribunals. The additional cost to the Archbishops' Council of these changes is estimated at around £10,000.

23. The increase in the annual retainer for Chancellors will result in additional costs across the dioceses of £14,000.

- Estimated additional costs to the Archbishops' Council due to the increase in the retainer for the President and Deputy President of Tribunals and establishment of a fee for a Judge who acts in the place of the President and Deputy President of Tribunals: £10,000.
- Aggregate increased costs across the dioceses due to the increase in the annual retainer for Chancellors: £14,000.

Canon John Spence
Chair, Archbishops' Council Finance Committee

November 2020